

Katy Lake

- E S T A T E S -

AMENDED DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR KATY LAKE ESTATES SECTION TWO

Whereas on or about March 20, 2003 Katy Lakes Estates Section Two executed and recorded, a Declaration of Covenants, Conditions and Restrictions covering the map or plat thereof recorded under Film Code Number W413767.

Said Declaration is recorded in Harris County, Texas on March 20, 2003 under the filing with Harris County, Texas number W515597, reference to which Declaration and the record thereof is here made for all purposes; and

Whereas on or about February 2014 the Board of Directors of Katy Lake Estates Community Association received the requisite approval and vote of the Owners to proceed with the filing of these Amended Declaration of Covenants, Conditions and Restrictions for Katy Lake Estates Section Two.

Whereas said Declaration is hereby amended to include the following amendments:

General Revisions:

Any reference throughout to Katy Lakes Estates shall be changed to Katy Lake Estates.

Any reference throughout to Katy Lakes Estates Community Association shall be changed to Katy Lake Estates Home Owners Association, Inc.

First Paragraph of the Declarations shall be amended to read as follows:

That this Declaration and Covenants, Conditions and Restrictions for Katy Lake Estates, Section Two (hereinafter referred to as the "Restrictions") is made on the date hereinafter set forth by execution below and KLE Development, L.P., a Texas limited partnership (hereinafter referred to as original "Declarant") and Katy Lake Estates being the successor of the Declarant.

The following sections are replaced in their entirety as referenced below:

Article 1 Section 1

Section 1: "Association" shall mean and refer to Katy Lake Estates Home Owners Association, Inc., a Texas non-profit corporation, its successors and assigns.

Article 4-Section 9 Exempt Property

No property owner shall be exempt from owing dues, fines, or assessments.

Article 8—Section 5 Animals and Livestock

The raising, breeding or keeping of hogs, guineas, peacocks or other exotic birds or animals on any Lot in the Subdivision is strictly prohibited; provided, however, consistent with the occupied Living Unit's use as a residence, dogs, cats and other household pets may be kept on a Lot, provided they are not kept, bred or maintained for any commercial purpose and further provided, no more than (5) each of such pets shall be kept on a Lot. All pets must be properly tagged for identification and penned in an enclosure approved by the Architectural Control Committee and the Board. No pet may be chained or leashed outside an enclosure unless being walked on a leash. Whenever a pet is removed from its enclosure, it must be in the possession of its owner or the owner's agent and must be restrained by a proper leash of chain, rope, plastic, leather or similar material. Horses or cattle for FFA purposes may be kept, but limited to (1) per acre where an occupied residence exists and an ACC approved structure was constructed to protect the animal.

Article 9—Section 1 Type of Living Unit

No building shall be erected, altered, placed or permitted to remain on any Lot other than one detached single-family dwelling of not more than two (2) stories. Every residence shall have an attached or detached enclosed garage for at least two (2) full sized automobiles. Carports on Lots, as defined by either a free standing structure not attached to the house or garage (usually made of metal and poles) are not permitted. Porte cochere's (attached to the house, garage or both) are permitted as long as they are approved by the ACC consistent with the materials and construction required listed in Article 9-Section 2 Type of Construction. All structures shall be of new construction and no structure shall be moved from another location onto any Lot.

Article 9—Section 9 Screening and Fences

No fence or wall shall be erected on any Lot that does not contain a residence as Lots are intended for residential use not agricultural use. No fence or wall shall be erected on any Lot nearer to the street than the building setback lines as shown on the Subdivision Plat. The erection of chain link or privacy fences within the subdivision is prohibited; however, chain link may be used, in conjunction with other materials and construction as mentioned in Article 9-Section 2 Type of Construction, to build a minimal pet enclosure as long as it is approved by the Architectural Control Committee and The Board. Fences shall be constructed of vinyl, wrought iron, wood (no more than four (4) rails with the rail construction no more than 6 inches wide each maximum) or a combination thereof and shall not exceed six feet (6ft.) in height. Gates must be wood, vinyl, wrought iron, metal or a combination of these materials. Stone or brick columns are permitted only at the point where the fencing ends at the driveway. The ACC must approve fencing, gates, and/or columns before construction can commence.

Article 13—Section 2 Duration and Amendment

The covenants, conditions, restrictions, reservations, liens, and charges set forth the Declarations shall run with the land and shall be binding upon and inure to the benefit of the Association, all Owners, their respective legal representatives, heirs, successors and assigns for a term of Forty (40) years from the date this Declaration or Covenants, Conditions and Restrictions is filed with the County Clerk of Harris County, Texas, for recordation in the Official Public Records of Real

Property of Harris County, Texas, after which time said covenants, conditions, restrictions, reservations, liens and changes shall be automatically extended and renewed for successive periods of Ten (10) years each, unless prior to said renewal date an instrument signed and acknowledge of the then Owners of not less than two-thirds (2/3) of the total number of Lots in the subdivision is filed for record with the County Clerk of Harris County, Texas, altering, rescinding, or modifying said covenants or restrictions in whole or in part as of said renewal date. Notwithstanding anything to the contrary herein contained, it is expressly understood that the Owners of fifty-one percent of the total number of Lots in the Subdivision shall always have the power and authority to amend this Declaration and such amendment shall become effective on the date an instrument signed by the then Owners of not less than fifty-one percent of the total number of Lots in the Subdivision is filed for record in Harris County Texas. The Declaration of Covenants, Conditions, and Restrictions for Katy Lake Estates Sections Two, may also be amended, at a meeting of the Members, by a vote not less than fifty-one percent of a quorum of Members present in person or by proxy. Alternatively, the Declaration of Covenants, Conditions, and Restrictions for Katy Lake Estates Sections Two, may be amended by circulating an instrument to be executed by fifty-one percent of the total Members, including by door-to-door canvas, provided that the Board of Directors is notified in writing by certified mail, return receipt requested, thirty days prior to commencement of canvassing, of the fact that an amendment is being contemplated by a canvassing of the Members.

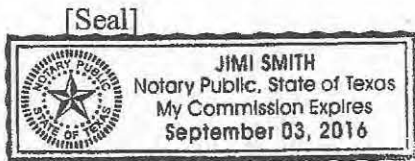
Whereas it is the desire of the undersigned President of Katy Lake Estates Home Owners Association, Inc. to ratify, amend and confirm said Amended Declaration of Covenants, Conditions and Restrictions for Katy Lake Estates Section Two.

Executed this 10th day of April, 2014.

Mica S. Walker
Name: Mica S. Walker
President of Katy Lake Estates Home Owners Association, Inc.

THE STATE OF TEXAS §
 §
COUNTY OF HARRIS §

Subscribed and acknowledged before me by the said Mica S. Walker,
President of Katy Lake Estates Home Owners Association, Inc. this 10th day of
April, 2014.



Jimi Smith
Notary Public
In and For the State of Texas

After recording, please return to:
Sowell, Alvares & Walls, PLLC
21320 PROVINCIAL BLVD., SUITE 100
KATY, TX 77450

FILED FOR RECORD
8:00 AM

APR 14 2014

Stan Stansitt
County Clerk, Harris County, Texas

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL
PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW.
THE STATE OF TEXAS
COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time
stamped herein by me, and was duly RECORDED, in the Official Public Records of Real Property of Harris
County, Texas

APR 14 2014



Stan Stansitt
COUNTY CLERK
HARRIS COUNTY, TEXAS

DECLARATION OF COVENANTS, CONDITIONS AND RESTRICTIONS FOR
KATY LAKES ESTATES, SECTION TWO

THE STATE OF TEXAS §
 § KNOW ALL MEN BY THESE PRESENTS:
COUNTY OF HARRIS §

THAT this Declaration of Covenants, Conditions and Restrictions for Katy Lakes Estates, Section Two (hereinafter referred to as the "Restrictions") is made on the date hereinafter set forth by KLE Development, L.P., a Texas limited partnership (hereinafter referred to as Declarant");

WITNESSETH:

WHEREAS, Declarant is the owner of that certain real property known as Katy Lakes Estates, Section Two (hereinafter referred to as the "Property"), being a subdivision in Harris County, Texas, according to the map or plat (hereinafter referred to as "Plat") thereof recorded under Film Code Number W413767, of the Map Records of Harris County, Texas; and

WHEREAS, it is deemed to be in the best interests of Declarant and any other persons who may purchase property in Katy Lakes Estates, Section Two, that there be established and maintained a uniform plan for the improvement and development of the Property, as a highly restricted and modern subdivision of the highest quality;

NOW, THEREFORE, Declarant hereby declares that the Property shall be held, sold and conveyed subject to the following easements, restrictions, covenants, and conditions, all of which are for the purpose of enhancing and protecting the value, desirability and attractiveness of said Property. These easements, covenants, restrictions, and conditions shall run with said real property and be binding upon all parties having or acquiring any right, title or interest in a Lot, as hereinafter defined, their heirs, successors and assigns, and shall inure to the benefit of each owner thereof.

ARTICLE I
DEFINITIONS

The following words, when used in this Declaration of Covenants, Conditions and Restrictions, shall have the following meanings:

Section 1. "Association" shall mean and refer to Katy Lakes Estates Community Association, a Texas non-profit corporation, its successors and assigns.

Section 2. "Common Area" shall mean and refer to that property owned or to be acquired by the Association and shall include, but is not limited to the property described in Exhibit "A" hereto.

Section 3. "Declarant" shall mean and refer to KLE Development, L.P., a Texas limited partnership, its successors and assigns, provided such successors and assigns (i) acquire more than one Lot in the Subdivision for purposes of development or resale and (ii) are designated as the Declarant by an instrument in writing executed by Declarant, and filed of record in the Official Public Records of Real Property of Harris County, Texas.

Section 4. "Lot" shall mean and refer to any of the numbered lots shown on the Plat or any re-plat thereof.

Section 5. "Living Unit" shall mean and refer to any improvements on a Lot which are designed and intended for occupancy and use as a residence by one person, by a single family, or by persons living together as a single housekeeping unit; provided, however, the term "Living Unit" shall not include a garage constructed on the Lot which is detached from the other improvements on the Lot.

Section 6. "Occupied Lot" shall mean and refer to any Lot on which there is a Living Unit in which one or more persons are residing.

Section 7. "Member" shall mean and refer to every person or entity who holds a membership in the Association.

Section 8. "Owner" shall mean and refer to the record owner, whether one or more persons or entities, of fee simple title to any Lot which is a part of the Subdivision, including contract sellers, but excluding those having such interest merely as security for the performance of an obligation. However, the term "Owner" shall include any mortgagee or lienholder who acquires fee simple title to any Lot through judicial or nonjudicial foreclosure.

Section 9. "Subdivision" shall mean and refer to that certain real property within the perimeters of the legal description of Katy Lakes Estates, Section Two, a subdivision in Harris County, Texas, as set forth on the Plat thereof recorded under Film Code Number W 413767 of the Map Records of Harris County, Texas. As used in this Declaration, the term "Subdivision" shall not cover or include any of the Common Area.

ARTICLE II PROPERTY RIGHTS

Section 1. Owner's Easement of Access and Enjoyment. Every Owner shall have an easement of access and a right and easement of enjoyment in and to the Common Area and such easement shall be appurtenant to and shall pass with the title to every Lot, subject to the following provisions:

- (a) The right of the Association to charge a reasonable admission and other fees for the use of any recreational facilities situated on the Common Area and to set hours of use for the same;
- (b) The right of the Association to suspend a Member's voting rights and right to use the recreational and other facilities owned or operated by the Association for any period during which any assessment against an Owner's Lot or any other sum due the Association by such Owner remains unpaid; and for a period not to exceed sixty (60) days for any infraction of its published rules and regulations;
- (c) The right of the Association to dedicate or transfer all or any part of the Common Area to any public agency, authority or utility for such purpose and subject to such conditions as may be determined by the Association;
- (d) The right of the Association to enter the Property for the purpose of maintaining drainage ditches and other easements for the benefit of the Property; and
- (e) The operation of any motorized dirt bike, motorcycle, go cart and/or all terrain vehicle (ATV) by any Lot Owner, member of said Lot Owner's family or guest shall be restricted to the confines on said Owner's Lot.

Section 2. Delegation of Use. Any Owner may delegate in accordance with the Bylaws of the Association, his right or enjoyment to the Common Area and facilities to members of his family, his tenants, or contract purchasers who reside on the Lot owned by him. The Declarant, for each Lot owned within the Subdivision, hereby covenants, and each Owner of any Lot, by acceptance of a Deed therefor, whether it shall be express in the Deed or the evidence of the conveyance, is deemed to covenant that any lease executed on a Lot shall be in writing and contain provisions binding any lessee thereunder to the terms of this Declaration and any rules and regulations published by the Association applicable to the Common Area and further providing that noncompliance with the terms of this Declaration and any rules and regulations published by the Association shall be a default thereunder.

Section 3. Title to the Common Area. The Common Area shall be owned by the Association or its successors and assigns, it being agreed that this provision is necessary in order to preserve the rights of the Owners with respect to the operation and management of the Common Area. Notwithstanding the above, the Declarant reserves the right to grant, convey, dedicate or reserve easements over, on or under the Common Area for utility services as set forth in Article XI, Section 1 hereof

ARTICLE III
MEMBERSHIP AND VOTING RIGHTS

Section 1. Organization. The Association has been organized as a nonprofit corporation under the laws of the State of Texas. In addition to this Subdivision, it is anticipated that the Association shall also have jurisdiction over Katy Lakes Estates Section Three. The principal purposes of the Association are the collection, expenditure and management of the maintenance funds, maintenance of the Common Area, enforcement of the Restrictions, providing for the maintenance, preservation, and architectural control within the Subdivision, the general overall supervision of all of the affairs and well-being of the Subdivision and other Subdivisions within its jurisdiction and the promotion of the health, safety and welfare of the residents within the Subdivision and other Subdivisions within its jurisdiction. The Association shall also be responsible for maintaining the private streets and appurtenant facilities of the Katy Lakes Estates development, and may do so through the collection assessments and dues.

Section 2. Membership. Every person or entity who is a record owner of a fee or undivided fee interest in a Lot which is a part of the Subdivision, including contract sellers, shall hold a membership in the Association. The foregoing is not intended to include persons or entities who hold an interest in a Lot merely as security for the performance of an obligation. Membership shall be appurtenant to and may not be separated from ownership of a Lot. Ownership of a Lot shall be the sole qualification for membership. Any mortgagee or lienholder who acquires title to any Lot which is a part of the Subdivision, through judicial or nonjudicial foreclosure, shall be a Member of the Association.

Section 3. Board of Directors. The Association shall act through a Board of Directors who will manage the affairs of the Association as specified in the Bylaws of the Association.

Section 4. Voting Rights. There shall be two classes of membership entitled to voting rights in the Association with respect to the Subdivision and they shall be as follows:

(a) Class A: All Owners other than Declarant, shall be considered Class A Members, and for each Lot owned shall be entitled to one (1) vote on each matter coming before the Members at any meeting or otherwise, unless their voting rights have been suspended by the Board of Directors as hereinabove provided in Article II, Section 1(b). When a particular Lot is owned by more than one individual or entity, all the individuals or entities holding an ownership interest in that Lot shall be considered Class A Members, however, for that particular Lot they shall be entitled to a total of no more than one vote on each matter coming before the Members at any meeting or otherwise. The vote for such Lot shall be exercised as they among themselves determine.

(b) Class B: Class B Members shall be the Declarant, and for each Lot owned by it shall be entitled to ten (10) votes on each matter coming before the Members at any meeting or otherwise. Once a Lot is sold to an individual or individuals who

would be classified as Class A Members, the ten (10) votes attached to that Lot shall be extinguished, subject to paragraph (c) below. All Class B memberships with respect to the Subdivision shall cease and be automatically converted into Class A Memberships on the happening of any of the following events, whichever occurs earlier:

(i) When the total number of votes entitled to be cast by the Class A Members, with respect to the Subdivision, at any meeting of the Members or otherwise, equals the total number of votes entitled to be cast by the Class B Members, with respect to the Subdivision;

(ii) Ten (10) years from the date these Restrictions are filed with the County Clerk of Harris County, Texas, for recordation in the Official Public Records of Real Property of Harris County, Texas; or

(iii) At such earlier time as the Class B Member, in its sole discretion, shall elect.

(c) Reinstatement of Class B Members. Notwithstanding the prior provisions of paragraph (b) above, if additional subdivisions are brought within the jurisdiction of the Association such that the Declarant owns more than 25% of all Lots under the jurisdiction of the Association, then the provisions in the first sentence of paragraph (b) above shall be automatically reinstated ipso facto.

ARTICLE IV COVENANT FOR MAINTENANCE ASSESSMENTS

Section 1. Creation of the Lien and Personal Obligation for Assessments. The Declarant, for each Lot within the Subdivision which shall be or thereafter become subject to the assessments hereinafter provided for, hereby covenants, and each Owner of any Lot that shall be or thereafter become assessable, by acceptance of a Deed therefor, whether or not it shall be express in the Deed or other evidence of the conveyance, is deemed to covenant and agree to pay the Association the following:

- (a) Annual assessments or charges;
- (b) Special assessments for capital improvements or such other improvements as the Association shall deem necessary; and
- (c) Any other sums to the extent they are specifically provided for elsewhere in this instrument.

Such assessments or charges are to be fixed, established and collected as hereinafter provided. These charges and assessments, together with such interest thereon and cost of collection thereof, as hereinafter provided, shall be a charge on the land and

shall be secured by a continuing lien upon the Lot against which such assessments or charges are made. Each such assessment or charge, together with such interest, costs and reasonable attorney's fees shall also be and remain the personal obligation of the individual or individuals who owned the particular Lot at the time the assessment or charge fee becomes due notwithstanding any subsequent transfer of title to such Lot.

Section 2. Purposes of Assessments. The assessments levied by the Association shall be used exclusively for the purpose of promoting the recreation, health, safety, and welfare of the residents of the Subdivision. Without limiting the foregoing, the total assessments accumulated by the Association, insofar as the same may be sufficient, shall be applied toward the payment of taxes, insurance premiums and repair, maintenance and acquisition expenses incurred by the Association and at the option of the Board of Directors of the Association for any or all of the following purposes: lighting, improving and maintaining streets, alleyways, sidewalks, paths, parks, parkways, entry gates and esplanades in the Subdivision and in other subdivisions within its jurisdiction; collecting and disposing of garbage, ashes, rubbish, and materials of a similar nature when such service becomes economically feasible; payment of legal and all other expenses incurred in connection with the collection, enforcement and administration of all assessments and charges and in connection with the enforcement of this Declaration of Covenants, Conditions and Restrictions; employing policemen or watchmen and/or a security service; fogging and furnishing other general insecticide services; providing for the planting and upkeep of landscaping on esplanades and in the Common Area; acquiring and maintaining any amenities or recreational facilities located upon the Common Areas including swimming pools, lakes, fountains and related facilities; and doing any other thing necessary or desirable in the opinion of the Board of Directors of the Association to keep and maintain the property in the Subdivision and in other subdivisions within its jurisdiction in neat and good order or which they consider of general benefit to the Owners or occupants of the Subdivision and in other subdivisions within its jurisdiction, including the establishment and maintenance of a reserve for repair, maintenance, taxes, insurance, and other charges as specified herein. Such funds may also be used to repair, maintain and restore abandoned or neglected residences and Lots as hereinafter provided. The judgment of the Board of Directors of the Association in establishing annual assessments, special assessments and other charges and in the expenditure of said funds shall be final and conclusive so long as said judgment is exercised in good faith.

Section 3. Basis and Maximum Level of Assessments. The Initial maximum annual assessment shall be \$400 per Lot. Such assessments shall be prorated if the first year is a partial year. The maximum annual assessment may be increased by the Board of Directors of the Association, effective the first day of January of each year, in conformance with the rise, if any, in the Consumer Price Index for Urban Wage Earners and Clerical Workers published by the Department of Labor, Washington, D.C., or any successor publication, for the preceding month of July or alternatively, by an amount equal to a ten percent (10%) increase over the prior years assessment, whichever is greater, without a vote of the Members of the Association. The maximum annual assessment may be increased above that established by the Consumer Price Index formula or the above-mentioned percentage increase only by approval of two-thirds (2/3) of each class of

members in the Association present and voting at a meeting duly called for this purpose. In lieu of notice and a meeting of Members as provided in the By-Laws of the Association, a door-to-door canvass may be used to secure the written approval of two-thirds (2/3) of each class of members for such increase in the annual assessments or in the special assessment for capital improvements as provided below. This increase shall become effective on the date specified in the document evidencing such approval only after such document has been filed for record in the Office of the County Clerk of Harris County, Texas. After consideration of current maintenance costs and future needs of the Association, the Board of Directors may fix the annual assessment and/or the Supplemental Section Two Assessment at an amount not in excess of the maximum amount approved by the Members.

Anything to the contrary notwithstanding, the maximum annual assessment shall be chargeable and payable as follows:

(a) Conveyed Lot: Any Lot that has been conveyed by Declarant to a third party shall be assessed the full assessment as set by the Board of Directors of the Association; provided, the assessment for the year in which such conveyance has taken place shall be prorated.

(b) Declarant Lots: Declarant may elect annually in writing to subsidize the approved budget for the subsequent year by paying the difference between the total approved budget for the year less the total amount due from assessments on Conveyed Lots for each Lot owned by Declarant. Declarant is required to provide written notice to the Board each year by September 1. Otherwise, each Lot owned by Declarant will be billed at the rate of fifty percent (50%) of the assessment of other Lot Owners.

Section 4. Special Assessments for Capital Improvements. In addition to the annual assessments authorized above, the Board of Directors of the Association may levy, in any assessment year, a special assessment applicable to that year only for the purpose of defraying, in whole or in part, the cost of any construction, reconstruction, repair or replacement of a capital improvement upon the Common Area, including fixtures and personal property related thereto, provided that any such assessment shall have the vote or written assent of two-thirds (2/3) majority of each class of Members..

Section 5. Notice and Quorum for Any Action Authorized Under Sections 3 and 4. Written notice of any meeting called for the purpose of taking any action authorized under Section 3 or 4 which requires a vote of the Members shall be sent to all Members not less than 30 days or more than 60 days in advance of such meeting. At the first such meeting called, the presence of Members or of proxies entitled to cast fifty-one percent (51%) of all the votes or each class of membership shall constitute a quorum. If the required quorum is not present, another meeting may be called subject to the same notice requirements, and the required quorum at the subsequent meeting shall be one-half (1/2) of the required quorum at the preceding meeting. No such subsequent meeting shall be held more than 60 days following the preceding meeting.

Section 6. Date of Commencement and Determination of Annual Assessment. The annual assessment provided for herein shall commence as to all Lots on a date fixed by the Board of Directors of the Association. The first assessments shall be adjusted according to the number of months remaining in the calendar year. On or before the 30th day of November in each year, the Board of Directors of the Association shall fix the amount of the assessments to be levied against each Lot in the next calendar year. Written notice of the figure at which the Board of Directors of the Association has set the assessments shall be sent to every Owner whose Lot is subject to the payment thereof. However, the failure by the Board of Directors of the Association to fix an assessment for any year will not be deemed a waiver with respect to any of the provisions of this Declaration or a release of liability of any Owner to pay assessments, or any installments thereof, for that or any subsequent year. In the event of such failure, each Owner shall continue to pay the assessments established for the previous year until the new assessments are established. The new assessments established by the Board of Directors of the Association shall be applied retroactively to the commencement of the then current assessment year and the deficit shall be paid by each Owner within thirty (30) days after receipt of a statement therefor. Assessments shall be due and payable yearly in advance on the first day of January or as directed by the Board of Directors of the Association. The Association shall, upon demand, and for reasonable charge, furnish a certificate signed by an officer of the Association setting forth whether the assessments on a specified Lot have been paid. A properly executed certificate of the Association as to the status of assessments on a particular Lot is binding upon the Association as of the date of its issuance.

Section 7. Effect of Non-Payment of Assessments; Remedies of the Association. Any assessments or charges which are not paid when due shall be delinquent. If an assessment or charge is not paid within thirty (30) days after the due date, it shall bear interest from the due date at the lesser of (i) eighteen percent (18%) per annum or (ii) the maximum rate permitted by law, and the Association may bring an action at law against the Owner personally obligated to pay the same, or foreclose the lien herein retained against the Lot. Interest, costs and reasonable attorneys' fees incurred in any such action shall be added to the amount of such assessment or charge. In order to secure the payment of the assessments or charges hereby levied, a vendor's lien for the benefit of the Association, shall be and is hereby reserved in the Deed from the Declarant to the purchaser of each Lot or portion thereof, which lien shall be enforceable through appropriate judicial and nonjudicial proceedings by the Association. As additional security for the payment of the assessments hereby levied, each Owner of a Lot in the Subdivision, by such party's acceptance of a deed thereto, hereby grants the Association a lien on such Lot which may be foreclosed on by nonjudicial foreclosure and pursuant to the provisions of Section 5 1.002 of the Texas Property Code (and any successor statute); and each such Owner hereby expressly grants the Association a power of sale in connection therewith. The Association shall, whenever it proceeds with nonjudicial foreclosure pursuant to the provisions of said Section 5 1.002 of the Texas Property Code and said power of sale, designate in writing a Trustee to post or cause to be posted all required notices of such foreclosure sale and to conduct such foreclosure sale. The Trustee may be changed at any time and from time to time by the Association by means of a written instrument executed

by the President or any Vice President of the Association and filed for record in the Real Property Records of Hams County, Texas. In the event that the Association has determined to nonjudicially foreclose the lien provided herein pursuant to the provisions of said Section 51.002 of the Texas Property Code and to exercise the power of sale hereby granted, the Association shall mail to the defaulting Owner a copy of the notice of Trustee's Sale not less than twenty-one (21) days prior to the date of which sale is scheduled by posting such notice through the U.S. Postal Service, postage prepaid, registered or certified, return receipt requested, properly addressed to such Owner at the last known address of such Owner according to the records of the Association. If required by law, the Association or Trustee shall also cause a copy of the Notice of Trustee's Sale to be recorded in the Real Property Records of Hams County, Texas. Out of the proceeds of such sale, there shall first be paid all expenses incurred by the Association in connection with such default, including reasonable attorney's fees and a reasonable trustee's fee; second, from such proceeds there shall be paid to the Association an amount equal to the amount of default; third, any amounts required by law to be paid before payment to the Owner; and, fourth, the remaining balance shall be paid to such Owner. Following any such foreclosure, each occupant of any such Lot foreclosed on and each occupant of any improvements thereon shall be deemed to be a tenant at sufferance and may be removed from possession by any and all lawful means, including a judgment for possession in an action of forcible detainer and the issuance of a writ of restitution thereunder.

In addition to foreclosing the lien hereby retained, in the event of nonpayment by any Owner of such Owner's portion of any assessment, the Association may, acting through the Board, upon ten (10) days prior written notice thereof to such nonpaying Owner, in addition to all other rights and remedies available at law or otherwise, restrict the rights of such nonpaying Owner to use the Common Areas, if any, in such manner as the Association deems fit or appropriate and/or suspend the voting rights of such nonpaying Owner so long as such default exists.

It is the intent of the provisions of this Section 7 to comply with the provisions of said Section 51.002 of the Texas Property Code relating to nonjudicial sales by power of sale and, in the event of the amendment of said Section 51.002 of the Texas Property Code hereafter, the President or any Vice President of the Association, acting without joinder of any other Owner or mortgagee or other person may, by amendment to this Declaration filed in the Real Property Records of Harris County, Texas, amend the provisions hereof so as to comply with said amendments to Section 51.002 of the Texas Property Code.

No Owner may waive or otherwise escape liability for the assessments provided for herein by nonuse of the Common Area or abandonment of his Lot. In addition to the above, rights, the Association shall have the right to refuse to provide the services of the Association to any Owner who is delinquent in the payment of the above described assessments.

Section 8. Subordination of the Lien to Mortgages. The lien created in this Article IV shall be subordinate to valid purchase money liens or mortgages and any valid lien securing the cost of construction of home improvements. Sale or transfer of any Lot shall

not affect said lien; however, the sale or transfer of any Lot which is subject to any valid first purchase money lien or mortgage or valid lien securing the construction of improvements pursuant to a judicial or nonjudicial foreclosure under such lien or mortgage or any conveyance in satisfaction of such debt (commonly called a "deed in lieu of foreclosure") shall extinguish the lien securing such assessment or charge only as to payments which became due prior to such sale or transfer and additionally shall not cause a merger of such lien with the title conveyed in satisfaction of such debt. No sale or transfer shall relieve such Lot or the Owner thereof from liability from any charges or assessments thereafter becoming due or from the lien thereof. In addition to the automatic subordination provided hereinabove, the Association, in the discretion of its Board of Directors, may subordinate the lien securing any assessment provided for herein any other mortgage, lien or encumbrance, subject to such limitations, if any, as such Board may determine.

Section 9. Exempt Property. All properties dedicated to, and accepted by, a local public authority and all properties owned by a charitable or nonprofit organization exempt from taxation by the laws of the State of Texas shall be exempt from the assessments and charges created herein. Notwithstanding the foregoing, no Lot which is used as a residence shall be exempt from said assessments and charges.

ARTICLE V INSURANCE

The Association, through the Board of Directors, or its duly authorized agent, shall have the authority to obtain the following types of insurance policies:

(a) Property insurance covering the Common Area and all improvements thereon in an amount equal to the full replacement value of the improvements and facilities located upon the Common Area and owned by the Association (including all building service equipment and the like) with an "agreed amount endorsement" or its equivalent, a "demolition endorsement" or its equivalent and, if necessary an "increased cost of construction endorsement" or "contingent liability from operation of building laws endorsement" or the equivalent, affording protection against loss or damage by fire and other hazards covered by the standard extended coverage endorsement in Texas, and by sprinkler leakage, debris removal, cost of demolition, vandalism, malicious mischief, windstorm, and water damage, and any such other risk as shall customarily be covered with respect to projects similar in construction, location and use;

(b) A comprehensive policy of public liability insurance covering all of the Common Area and insuring the Association, within such limits as it may consider acceptable (for all claims for personal injury and/or property damage arising out of a single occurrence); such coverage to include protection against water damage liability, liability for non-owned and hired automobiles, liability for property of others, and any other covering the Association deems prudent and which is customarily carried with respect to projects similar in construction, location and use; and

(c) A policy of fidelity coverage to protect against dishonest acts on the part of officers, directors, trustees, and employees of the Association and all others who handle, or are responsible for handling funds of the Association; such fidelity bonds shall be of the kind and in an amount the Association deems necessary for the protection of the Owners.

Premiums for all such insurance policies carried by the Association shall be a common expense payable from the annual or special assessments on all of the Lots. Liability and property insurance for Lots and the contents of residences shall be the responsibility of each individual Owner. All proceeds from policies held by the Association shall be deposited in a bank or other financial institution, the accounts of which bank or institution are insured by a federal governmental agency, with the provision agreed to by said bank or institution that such funds may be withdrawn only by signature of at least two (2) of the members of the Board of Directors, or by an agent duly authorized by the Board of Directors. In no event shall the insurance company or the bank or other financial institution holding proceedings on a policy issued in the name of the Association be authorized to distribute any proceeds therefrom to the Declarant. Proceeds from such policies shall be used by the Association only for the benefit of its Members and where such proceeds arise out of an occurrence in which a building or improvement owned by the Association is damaged or destroyed, they shall be used to repair, restore and rebuild such building or improvements. In the latter event, the Board of Directors shall advertise for sealed bids from licensed contractors, and upon acceptance of a bid received thereby, may negotiate with the contractor, who shall be required to provide a full performance and payment bond for the repair, reconstruction or rebuilding of such destroyed improvements or buildings. In the event the insurance proceeds are insufficient to pay all costs of repairing and/or rebuilding said improvements to their original condition, the Association shall levy a special assessment for capital improvements against all Owners to make up the deficiency. This shall be done only after compliance with all the requirements for imposition of special assessments.

ARTICLE VI ARCHITECTURAL CONTROL

Section 1. Architectural Control Committee. There is hereby created an Architectural Control Committee (herein referred to as the "Committee") comprised, initially, of Joseph George Pizzitola of Harris County, Texas, who shall serve until his successor is appointed. The Committee may be increased at the election of the Declarant. Any member of the Committee may be removed, with or without cause, by the Declarant. In the event any member of the Committee should be so removed from the Committee or if any member of the Committee should die, resign, refuse to act, or become unable or ineligible to act, Declarant shall have the authority to designate a successor. No member of the Committee or its designated representative(s), as herein defined, shall be entitled to any compensation for services performed pursuant to this Article. The Committee may, however, employ one or more architects, engineers, attorneys, or other consultants to assist the Committee in carrying out its duties hereunder, and the Association shall pay such consultants for such services as they render to the Committee. A majority of the Committee may designate one

or more representative(s) to act for it and such representative(s) shall have the full right, authority, and power to carry out the functions of the Committee.

Section 2. Duties and Powers. The purpose of the Committee is to protect the environmental and architectural integrity of the Subdivision in accordance with the provisions of this Declaration. No building, fence, wall, or other structure or improvement of any nature shall be placed, constructed, erected, or maintained on any Lot, nor shall any exterior addition to or change or alteration therein be made until the construction plans and specifications for the same shall have been submitted to and approved in writing by the Committee as to: (a) conformity and harmony of external design and location in relation to surrounding structures and topography, and (b) quality of workmanship and materials. Any plans and specifications to be submitted shall specify, in such form as the Committee may reasonably require, the location upon the Lot where the improvements are to be placed and the dimensions thereof as well as appropriate information concerning the structural, mechanical, electrical, and plumbing details and the nature, kind, shape, height, color scheme, and materials of the proposed improvements or alterations. The Committee shall also have the right, where not otherwise set forth herein, to specify:

- (a) Minimum setbacks;
- (b) The location, height and extent of fences, walls, or other screening devices;
- (c) The orientation of structures and landscaping on Lots with respect to streets, walks, and structures on adjacent properties, however, the Committee shall not require setbacks further away from the streets than any platted building line;
- (d) A limited number of acceptable exterior materials and/or finishes that may be used in the construction, alteration or repair of any improvement; and
- (e) Approval of the construction of a residence upon two adjoining Lots, subject to such conditions as deemed necessary and appropriate.

Further, no person exercising any prerogative of approval or disapproval by the Committee shall incur any liability by reason of the good faith exercise thereof.

Section 3. Committee Approval. Any approval or disapproval by the Committee or its designated representative(s) on any of the above matters shall be in writing and either conveyed in person or by registered or certified mail, return receipt requested. In the event said Committee or its designated representative(s) fail to approve or disapprove such design and location within thirty (30) days after said plans and specifications have been submitted to it, then such plans and specifications shall be deemed denied approved. The Committee shall have the right, exercisable at its discretion, to grant variances to the architectural restrictions in specific instances where the Committee in good faith deems that such variance does not adversely affect the architectural and environmental integrity

of the Subdivision or the common scheme of the development. If the Committee shall approve a request for variance, the Committee may evidence such approval, and grant its permission for such variance, only by written instrument, addressed to the Owner of the Lot(s) relative to which such variance has been requested, describing the applicable restrictive covenant(s) and the particular variance requested, expressing the decision of the Committee to permit the variance, describing (when applicable) the conditions on which the variance has been approved and signed by a majority of the then members of the Committee. If any such variances are granted, no violation of the provisions of this Declaration shall be deemed to have occurred with respect to the matter for which the variance is granted; however, that the granting of a variance shall not operate to waive any of the provisions of this Declaration for any purpose except as to the particular property and particular provisions hereof covered by the variance, nor shall the granting of any variance affect in any way the Owner's obligation to comply with all governmental laws and regulations affecting the Lots and with the Plat. Failure by the Committee to respond within thirty (30) days to a request for a variance shall operate as a denial of the variance.

Section 4. Term. The duties and powers of the members of the Committee herein named, their successors, assigns, and designated representative(s) shall cease on the earlier of twenty (20) years from the date this Declaration of Covenants, Conditions and Restrictions is recorded in the Official Public Records of Real Property of Harris County, Texas, or the date upon which all Lots subject to the jurisdiction of the Association become Occupied Lots. Thereafter, the duties and powers of the Committee shall vest in the Board of Directors of the Association or an Architectural Control Committee composed of three (3) or more representatives appointed by the Board of Directors of the Association. The approval required in this Article and the duties and powers vested in the Committee and its successors shall continue so long as this Declaration of Covenants, Conditions and Restrictions remains in force and effect. The then current members, of the Committee may at any time voluntarily transfer all their duties and powers to the Board of Directors of the Association. To be effective, such a transfer shall be evidenced by a document executed by each of the then current members of the Committee.

Section 5. No Implied Waiver or Estoppel. No action or failure to act by the Committee or by the Board of Directors shall constitute a waiver or estoppel with respect to future action by the Committee or Board of Directors with respect to the construction of any improvements within the Subdivision. Specially, the approval by the Committee or Board of Directors of any such residential construction shall not be deemed a waiver of any right or an estoppel to withhold approval or consent for any similar residential construction or any similar proposals, plans, specifications, or other materials submitted with respect to any other residential construction by such person or other Owner.

ARTICLE VII EXTERIOR MAINTENANCE

Section 1. Obligation. All Living Units and other buildings located within the Subdivision must be kept in good repair and must be painted when necessary to preserve their attractiveness. Grass, vegetation and weeds on each Lot to the street shall be cut as often as may be necessary to maintain the same in a neat and attractive condition. All damaged, diseased beyond recovery, or dead trees shall be cut and removed from any Lot at the expense of the Owner. Vacant Lots shall be mowed and maintained in good appearance by the Owner and shall not be used as dumping grounds for rubbish, trash, rubble, or soil, except that Declarant or the Committee may designate fill areas into which materials specified by Declarant or the Committee may be placed. The Association may plant, install and maintain shrubbery and other screening devices around boxes, transformers and other above-ground utility equipment. The Association shall have the right to enter upon the Lots to plant, install, maintain, and replace such shrubbery or other screening devices. However, there shall be no privacy or solid fencing. In addition all water and septic pressure tanks must be installed in the garage.

Section 2. Failure to Maintain. In the event any Owner of any Lot in the Subdivision fails to maintain the Lot and the improvements situated thereon in a manner satisfactory to the Board of Directors of the Association, the Association, after seven (7) days notice to the Owner of said Lot, setting forth the action intended to be taken by the Association and after approval by a two-thirds (2/3) vote of the Board of Directors, shall have the right (but not the obligation), through its agents and employees, to enter upon said Lot and to repair, maintain, and restore the Lot and the exterior of the buildings and any other improvements located thereon. To the extent necessary to prevent: (a) infestation by insects, rats and other vermin or pests; (b) diminish fire hazards; and (c) accomplish any of the needed repair, maintenance and restoration, the Association shall have the right (but not the obligation), through its agents and employees, to enter any residence or improvement located upon such Lot. Neither the Association nor its agents or employees shall be liable, and are expressly relieved from any liability for trespass or other tort in connection with the performance of the exterior maintenance and other work authorized in these Restrictions this Article. The cost of such exterior maintenance and other work shall be the personal obligation of the Owner of the lot on which it was performed and shall become a part of the assessment payable by said Owner and secured by the liens herein retained.

ARTICLE VIII USE RESTRICTIONS

Section 1. Residential Use. Each and every Lot in the Subdivision is hereby restricted to one residential dwelling for single-family residential use only. As used herein, the term "residential use" shall be held and construed to exclude hospitals, clinics, apartment houses, duplex houses, garage apartments used for rental purposes, boarding

houses, hotels, and commercial and professional uses whether from homes, residences, or otherwise, and all such uses of said property are hereby expressly prohibited.

Section 2. Business Activity. No business activities of any kind whatsoever shall be conducted in any portion of the Subdivision; provided, however, the foregoing covenant shall not apply to the business activities of the Declarant, its agents and assigns any of which may erect a sales trailer or other such temporary structure as a sales facility during the construction and sale period, or of the Association, its successors and assigns in furtherance of its powers and purposes as herein set forth. Each builder on Lots in the Subdivision shall be allowed to use the garage structure constructed on the Lot as a model home or office; provided, however, that such structure must be converted back to a garage prior to the sale of the home on the Lot affected to a purchaser.

Section 3. Common Area. The Common Area shall not be used for any commercial purposes; however, this provision shall not preclude the Association from charging reasonable fees for the use of the recreational facilities which are part of the Common Area. There shall be no open pit fires in the Common Areas and no bar-b-Que pits or grills in the gazebo.

Section 4. Exemption for Sale of Lots. Notwithstanding any provisions herein contained to the contrary, it shall be permissible for Declarant or the builder of any residence to maintain, during the period of construction and sale of Lots within the Subdivision, upon any portion of a Lot, such facilities as in the sole opinion of the Declarant may be reasonably required, convenient or incidental to the construction and sale of improved Lots, including, without limitation, a business office, storage area, construction yards, model units, and a sales office.

Section 5. Animals and Livestock. The raising, breeding or keeping of hogs, guineas, peacocks or other exotic birds or dangerous animals on any Lot in the Subdivision is strictly prohibited; provided, however, consistent with the Living Unit's use as a residence; dogs, cats and other household pets may be kept on a Lot, provided they are not kept, bred or maintained for any commercial purposes and further provided, no more than five (5) each of such pets shall be kept on a Lot. All pets must be properly tagged for identification and penned in an approved enclosure. No pet may be chained or leashed outside an enclosure unless being walked on a leash. Whenever, a pet is removed from its enclosure, it must be in the possession of its owner or the owner's agent and must be restrained by a proper leash of chain, rope, plastic, leather, or similar material. Horses and cattle may be kept, but limited to one (1) per acre.

Section 6. Mineral Production. No oil drilling, oil development operations or oil refining, quarrying or mining operations of any kind shall be permitted upon any portion of the Subdivision, nor shall oil wells, tanks, tunnels, mineral excavations or shafts be permitted upon any portion of the Subdivision. No derrick or other structure designed for use in boring for oil or natural gas shall be erected, maintained or permitted upon any portion of the Subdivision.

Section 7. Disposal of Trash. No portion of the Subdivision shall be used or maintained as a dumping ground for rubbish, trash, garbage, or other wastes. All rubbish, trash, garbage or other waste shall be kept in sanitary containers and out of sight of the Common Area and any street or adjacent Lot, except on days designated for pick-up of such garbage. In a manner consistent with good housekeeping, the Owner of each Lot shall remove such prohibited matter from his Lot at regular intervals at his expense. No incinerator may be maintained on any portion of the Subdivision.

Section 8. Storage of Vehicles. No portion of the streets or Common Area shall, without the express written permission of the Association, be used for the storage of boats, trailers, campers, unused or inoperable automobiles, or any items which the Association deems unsightly or inappropriate. Boats, trailers, campers, unused or inoperable automobiles and other machinery consistent with the use of the premises as a residence may be kept on Lots, provided they are kept or stored within a garage or such other place as may be completely out of view from the Common Area or any street or adjacent Lot. No Owner of any Lot in the Subdivision or any visitor or guest of any Owner shall be permitted to perform work on any vehicle in any driveway or street other than for work of a temporary nature. For the purpose of the foregoing term, "temporary" shall mean that the vehicle shall not remain in a driveway or street in excess of forty-eight (48) hours. Garage doors shall be closed at all times, except for immediate entry or exit.

Section 9. Storage of Building Materials. No Lot shall be used for storage of any material except that required for landscaping or construction which materials shall not be placed or stored upon any Lot until the Owner is ready to commence construction of improvements on the Lot, at which time such materials shall be placed within the property lines of the Lot upon which the improvements are to be constructed, and shall not be placed in the Street or upon any common areas.

Section 10. Signs. Except for signs, billboards or other advertising devices displayed by Declarant for so long as Declarant (or any successors or assigns of Declarant to who the rights of Declarant under this Section are expressly transferred) shall own any portion of the Subdivision, no sign of any kind shall be displayed to the public view on any Lot or the Common Areas, except:

- (a) Builders may display one (1) sign of not more than nine (9) square feet on a Lot to advertise the Lot and any residential structure situated thereon for sale during the sales and/or construction period.
- (b) No signs are permitted for three (3) after date of purchase on unimproved Lots. Any Owner may display one (1) sign of not more than nine (9) square feet on a Lot improved with a residential structure to advertise the residence for sale or rent.
- (c) The Association may display such signs as it may deem necessary for the efficient use of the Common Areas or beneficial for the Members.

Section 11. Clotheslines. No outside clothesline shall be constructed or maintained on any Lot within sight of the Common Area or any street or adjacent Lot.

Section 12. Nuisances. No noxious or offensive trade or activity shall be carried on upon any portion of the Subdivision, nor shall anything be done thereon which may become an annoyance or nuisance to the residents of the Subdivision or in any way endanger the health of the residents.

Section 13. Prohibited Conduct. No portion of the Subdivision shall be used for vicious, illegal or immoral conduct, or for any conduct in violation of the laws of the State of Texas, or the United States, or of the police, health, sanitary, building, or fire codes, regulations or instructions relating to or affecting the use, occupancy or possession of any portion of the Subdivision.

Section 14. Control of Sewage Effluent. No outside toilets will be permitted, and no installation of any type of device for disposal of sewage shall be allowed that would result in raw or untreated or unsanitary sewage being carried into the streets or into any body of water. Drainage of storm waste into sewage pipes shall not be permitted. No septic tank or other means of anaerobic sewage disposal will be permitted.

Section 15. Timing of Construction. All housing construction must be started no later than twenty-four (24) months from the purchase of any Lot.

ARTICLE IX ARCHITECTURAL RESTRICTIONS

Section 1. Type of Living Unit. No building shall be erected, altered, placed, or permitted to remain on any Lot other than one detached single-family dwelling of not more than two (2) stories. Every residence shall have an attached or detached enclosed garage for at least two (2) full sized automobiles. Carports on Lots are not permitted. All structures shall be of new construction and no structure shall be moved from another location onto any Lot.

Section 2. Type of Construction. Exterior walls may be of masonry, brick, Hardiplank or like material, or other suitable material approved by the Committee. No garage or accessory building shall exceed in height the dwelling to which it is appurtenant without the written consent of the Committee. Every garage and permitted accessory building (except a greenhouse) shall correspond in style and architecture with the dwelling to which it is appurtenant. No structure of any kind or character that incorporates frame construction on the exterior shall be erected on any Lot unless such structure received at least two coats of paint at the time of construction or the exterior is of redwood or cedar material.

Section 3. Dimensions of Living Units. Unless otherwise approved by the Committee, no residential structure shall be erected, altered, placed, or permitted to remain on any Lot located in the Subdivision unless its living area has a minimum of 2500 square

feet of usable floor space exclusive of porches and garage. Any two-story residential structure shall have a first floor with a minimum of 1,800 square feet of usable floor space exclusive of porches and garage.

Section 4. Location of Living Unit on Lot. Except as may be authorized in writing by the Committee, no building or structure shall be located nearer to any front, side or rear Lot line than as permitted by the utility easements and the setback lines shown on the recorded Plat of the Subdivision. Should two or more adjoining building sites be owned by the same or substantially the same Owner or Owners, said Owner or Owners shall be permitted to erect a structure across the building site lines common to the sites owned by said Owner or group of Owners, and such construction shall not be considered to be in violation of the side or rear setback restrictions described above, so long as such improvements or structures are determined to consist of one continuing building, which determination shall be in the sole good faith discretion of the Committee. Except as expressly approved in writing by the Committee, the immediately preceding sentence shall in no way affect or change the side or rear setback lines hereinabove set forth and these setback lines shall continue to apply to any building site or a group of building sites under the same or substantially the same ownership. For the purpose of these restrictions, the front of each Lot shall coincide with and be the property line having the smallest dimension abutting a Street. Each Living Unit will face the front of the Lot, and will be provided with driveway access from the front of the Lot only; except that garages on the corner Lots may face the side street. The Architectural Control Committee shall be empowered to grant exceptions for minor variances, up to ten (10) feet in any direction in house locations. The front building minimum setback line shall be seventy-five (75) feet for Lots 1 —6 and one hundred (100) feet for Lots 7 and 8. No living unit and no garage or other building shall be located on any Lot less than twenty-five (25) feet from either side property line. No structure shall be located within any utility easement. Exceptions to be determined by the Architectural Committee on Block 1, Lots 4 & 6, Block 2, Lots 6, 7, 8, 9, and 10.

Section 5. Metal Buildings. No metal buildings of any type shall be placed or constructed upon any Lot.

Section 6. Roof Material. Roofs of all residences shall be constructed so that the exposed material consists of 240# (or better) composition shingles.

Section 7. Driveways. Unless the Committee agrees otherwise, each Lot shall have driveway access to the street on which the Living Unit constructed thereon faces and shall not have driveway access to a street on which it may side. Subject to the foregoing limitation, the Owner of each Lot shall construct and maintain at his expense a driveway of patterned asphalt (no plain black top asphalt) or concrete from his garage to an abutting street, including the portion of the street right-of-way. The Owner shall repair at his expense any damage to the street occasioned by connection the driveway thereto.

Section 8. Traffic Sight Areas. No fence, wall, hedge, or shrub planting which obstructs sight lines at elevations between two and six feet above the street shall be permitted to remain on any corner Lot within the triangular area formed by the two (2) Lot

lines abutting the streets and a line connecting them at points twenty-five (25) feet from their intersection or within the triangular area formed by the Lot line abutting a street, the edge line of any driveway or alley pavement and a line connecting them at points ten (10) feet from their intersection.

Section 9. Fences. No fence or wall shall be erected on any Lot nearer to the street than the building setback lines as shown on the Subdivision Plat. The erection of chain link or privacy fences within the Subdivision is prohibited. Fences shall be constructed of vinyl, wrought iron, split rail wood or a combination thereof and shall not exceed six feet (6') in height. Notwithstanding the foregoing, any side and back fencing on a lakefront Lot shall be exclusively black wrought iron. Wire fencing for pet restriction must be used in conjunction with another type of fencing to be approved by the Architectural Committee.

Section 10. Exterior Antennas. Without the prior written approval of the Committee, no exterior television antenna, television satellite reception disc or radio antenna of any sort shall be placed, allowed or maintained upon any portion of the improvements and structures to be located in the Subdivision, other than one conventional television antenna and one satellite disk no greater than 18 inches in diameter, which antenna and/or satellite dish must be erected in such a manner so that it is not visible from the street.

Section 11. Temporary Structures. No structures of a temporary character, including tents, shacks, barns, or other outbuildings shall be placed on any Lot located within the Subdivision except for such temporary buildings utilized by the Declarant or the builder of any residence during the period of construction. Trailers and motor vehicles shall not be used on any Lot at any time as a residence, either temporarily or permanently.

Section 12. Air Conditioners. Except as otherwise permitted under Article VIII, Section 4, during construction periods, no window or wall type air conditioners visible from any Street shall be permitted.

Section 13. Mailboxes and Identifying Numbers. Mailboxes, house numbers and similar matters used in the Subdivision must be harmonious with the overall character and aesthetic appeal of the community as determined by the Committee. The decision of the Committee that any such matter is not harmonious shall be final.

Section 14. Private Utility Lines. All electrical, telephone, cable television and other utility lines and facilities which are located on a Lot, and are not owned by a governmental entity or a public utility company shall be installed in underground conduits or other underground facilities unless otherwise approved in writing by the Committee.

Section 15. Solar Collectors. No solar collectors shall be installed without the prior written approval of the Committee. Such installation shall be in harmony with the design of the residence. Whenever reasonably possible, solar collectors shall be installed in a location that is not visible from the public street in front of or to the side of any residence.

Section 16. Grass. The owner of each Occupied Lot shall spot sod or sprig with grass the area between the front of the residence and curb line of the abutting street. The grass shall be of a type and within standards prescribed by the Committee. Grass and weeds shall be kept mowed to prevent unsightly appearance. Dead or damaged trees or other shrubbery, which might create a hazard to the property or persons within the Subdivision shall be promptly removed and repaired, and if not removed by Owner within thirty (30) days after written request by the Declarant or the Association, the Declarant or the Association may remove or cause to be removed such trees and/or shrubbery at the Owners expense and shall not be liable for damage caused by such removal. Vacant Lots shall be mowed and maintained in appearance by the Owner.

Section 17. Lake Restrictions. No Owner shall construct a pier or any similar structure into any lake area - all Owners are hereby put on notice that the lake bottom is composed of a clay shell. There is no swimming in any lake. Fishing is permitted from the banks or in canoes, paddle boats or small boats with or without a trolling motor (all of which must be less that ten (10) feet in length and four (4) feet in width).

ARTICLE X MANAGEMENT AGREEMENTS

Each Owner hereby agrees to be bound by the terms and conditions of all management agreements entered into by the Association for the management of the Common Area and the facilities located thereon. A copy of all such agreements shall be available to each Owner. Any and all management agreements entered into by the Association shall provide that the Association may cancel said management agreement by giving the other party thirty (30) days written notice when so authorized by the vote of a majority of the membership votes in the Association entitled to be cast at a meeting of the Members or otherwise. In no event shall such management agreement be canceled prior to the time the Association or its Board of Directors negotiate and enter into a new management agreement which is to become operative immediately upon the cancellation of the preceding management agreement. It shall be the duty of the Association or its Board of Directors to effect a new management agreement prior to the expiration of any prior management contract. Any and all management agreements shall be for a term not to exceed one (1) year and shall be made with a professional and responsible party or parties with proven management skills and experience managing a project of this type.

ARTICLE XI EASEMENTS

Section 1. General. Declarant shall have the right to grant, convey, dedicate or reserve easements over, on or under any part of the land in the Subdivision for streets and/or for electric light and power, telephone, natural gas, water, sanitary sewer, storm sewer, cable television, and other utility lines and facilities by separate recordable document for a period often (10) years after the date this Declaration of Covenants, Conditions, and Restrictions is filed of record in the Official Public Records of Real Property of Harris County, Texas, regardless of whether at such time Declarant has title to the land within the

easement(s). Thereafter, the Association shall have the power and authority to grant such an easement upon the vote of a majority of the membership votes entitled to be cast at any meeting of the Members of the Association or otherwise. An easement is also specifically granted to the United States Post Office, its agents and employees to enter upon any portion of the Subdivision in performance of mail deliver or any other United States Post Office services. An easement is also granted to all police, fire protection, ambulance, and similar persons to enter upon any portion of the Subdivision in performance of their duties. Further, an easement is hereby granted to the Association, its officers, agents, employees, and to any management company duly selected by the Association, to enter in or cross over the Common Area and/or any Lot (including but not limited to the detention area in each lakefront Lot hereby defined as the last thirty-six (36) feet from the edge of the lake) to perform the duties of maintenance and repair as provided for herein. The easements provided for in this Article shall in no way affect any other recorded easements covering any portion of the Subdivision.

Section 2. Underground Electric Service. Underground single phase electric service may be available to all dwellings or structures located in the Subdivision. In such event, the metering equipment shall be located either on the exterior surfaces or walls of dwellings or structures or at points to be designated by the utility company. With the prior approval of the Architectural Control Committee, the utility company shall have an underground easement along and centered on the underground electrical power service conductor installed and running from the utility company's easement shown on the recorded Plat of the Subdivision to the designated point of service on the dwelling or structure. This easement shall be for the maintenance of its conductors and metering equipment. For so long as such underground service is maintained, the electrical service to each dwelling and structure located in the Subdivision shall be uniform and exclusively of the type known as single phase, 120/240 volt, 3 wire, 60 cycle alternating current. This two foot easement for underground electrical service may be crossed by driveways, walkways and patio areas, provided the Declarant or builder makes prior arrangements with the utility company furnishing such service. However, this easement shall be kept clear of all buildings. Neither the Declarant nor the utility company using this easement shall be liable for any damage done by either of them or their assigns, their agents, employees, or servants to shrubbery, trees, flowers, or other improvements located on the land covered by such easement. Further, all of the Subdivision shall be subject to such easements, restrictions, covenants, and conditions are required to be imposed against the Subdivision by Declarant in any agreement entered into with Reliant Energy for the delivery of underground electrical service to the Subdivision (the "Utility Easement"). Accordingly, the recordation of any such Utility Agreement in the Official Public Records of Real Property of Harris County, Texas, shall constitute an amendment to the Declaration that includes in this Declaration and imposes against the Subdivision any and all easements, restrictions, covenants, and conditions required under said Utility Agreement.

Section 3. Cable Service. Declarant reserves the right to hereafter enter into a franchise or similar type agreement with one or more cable television companies and Declarant shall have the right and power in such agreement or agreements to grant such cable television company or companies the uninterrupted right to install and maintain

communications cable and related ancillary equipment and appurtenances within the utility easements or rights-of-way reserved and dedicated herein and in the Plat referenced above. Declarant agrees to transfer and assign any such agreement to the Association and Declarant does hereby reserve unto the Association the sole and exclusive right to obtain and retain all income, revenue, and other things of value paid or to be paid by such cable television company or companies pursuant to any such agreements between Declarant or the Association and such cable television company or companies.

ARTICLE XII ANNEXATION

Additional residential property and Common Area may be annexed into the jurisdiction of the Association upon the favorable vote of two-thirds (2/3) of the membership votes entitled to be cast by each membership class at a meeting of the Member or otherwise. Provided, however, Declarant may at any time, without approval of the Members, annex or consent to the annexation of any additional property to the jurisdiction of the Association, provided such property is adjacent to property then existing under the Association's jurisdiction. Annexation of additional property to this Subdivision shall encumber said property with all of the covenants, conditions, restrictions, reservations, liens, and charges set forth in this Declaration of Covenants, Conditions, and Restrictions (except to the extent that the annexation instrument conflicts with this Declaration, in which event the terms of the annexation instrument shall apply) and shall become effective on the date an instrument signed and acknowledged by the owner of said annexed property and the appropriate annexing authority (either Declarant or the Association), is filed for record in the Official Public Records of Harris County, Texas, evidencing the annexation. Each such instrument evidencing the annexation of additional property shall describe the portion of the property comprising the Lots and Common Area. The funds resulting from any assessment, whether annual or special, levied against any property hereinafter annexed to the Subdivision may be combined with the funds collected from the Owners of Lots in the Subdivision and may be used for the benefit of all property and all Owners in the manner hereinabove provided.

ARTICLE XIII GENERAL PROVISIONS

Section 1. Enforcement. The Association or any Owner shall have the right to enforce, by any proceeding at law or in equity, all restrictions, conditions, covenants, reservations, liens, and charges now or hereafter imposed by reason of the provisions contained in this Declaration of Covenants, Conditions, and Restrictions. Failure of the Association or any Owner to enforce any of the provisions herein contained shall in no event be deemed a waiver of the right to do so thereafter.

Section 2. Duration and Amendment. The covenants, conditions, restrictions, reservations, liens, and charges set forth in this Declaration shall run with the land and shall be binding upon and inure to the benefit of the Association, all Owners, their

respective legal representatives, heirs, successors and assigns for a term of forty (40) years from the date this Declaration of Covenants, Conditions and Restrictions is filed with the County Clerk of Harris County, Texas, for recordation in the Official Public Records of Real Property of Harris County, Texas, after which time said covenants, conditions, restrictions, reservations, liens, and charges shall be automatically extended and renewed for successive periods of ten (10) years each, unless prior to said renewal date an instrument signed and acknowledged by the then Owners of not less than two-thirds (2/3) of the total number of Lots in the Subdivision is filed for record with the County Clerk of Harris County, Texas, altering, rescinding or modifying said covenants and restrictions in whole or in part as of said renewal date. Notwithstanding anything to the contrary herein contained, it is expressly understood and agreed that the Owners of two-thirds (2/3) of the total number of Lots in the Subdivision shall always have the power and authority to amend this Declaration and such amendment shall become effective on the date an instrument, signed and acknowledged by the then Owners of not less than two-thirds (2/3) of the total number of Lots in the Subdivision is filed for record in Harris County, Texas, so amending said Declaration of Covenants, Conditions and Restrictions. In addition, Declarant shall have the right at any time and from time to time, without the joinder or consent of any other party, to amend this Declaration of Covenants, Conditions and Restrictions by any instrument in writing duly signed, acknowledged, and filed for record in the Official Public Records of Real Property of Harris County, Texas, for the purpose of correcting any typographical or grammatical error, ambiguity or inconsistency appearing herein, or for the purpose of complying with any statute, regulation, ordinance, resolution, or order of the Federal Housing Administration, the Veterans Administration, or any federal, state, county, or municipal governing body, or any agency or department thereof: provided that any such amendment shall be consistent with and in furtherance of the general plan and scheme of development as evidenced by this Declaration of Covenants, Conditions and Restrictions and any Supplemental Declarations taken collectively, and shall not impair or affect the vested property rights of any Owner or his mortgagee.

Section 3. Canvassing. Where this Declaration of Covenants, Conditions, and Restrictions requires that an instrument be executed by a certain percentage or number of the Member or Owners, such instrument may be circulated among the Members or Owners by a door-to-door canvass and need not be presented at any meeting of the Members or otherwise, provided the Board of Directors of the Association is notified in writing by certified mail, return receipt requested, of the fact that an action is contemplated by a canvassing of the Members or the Owners.

Section 4. Severability. If any provision of this Declaration of Covenants, Conditions and Restrictions or the application thereof to any person or circumstance shall, for any reason or to any extent, be invalid or unenforceable, neither the remainder of this Declaration of Covenants, Conditions and Restrictions nor the application of such provision to other persons or circumstances shall be affected thereby, but shall be enforced to the fullest extent permitted by law.

Section, 5. Gender and Number. Whenever used, the singular number shall include the plural, the plural singular, and the use of any gender shall be applicable to all genders.

Section 6. Headings. The paragraph entitlements hereof are inserted for convenience of reference only and shall in no way alter, modify or define, or be used in construing the text of such paragraphs.

IN WITNESS WHEREOF, this Declaration is executed on this the 20 day of March, 2003.

KLE Development, L.P., a Texas limited partnership

By Joseph George Pizzitola
Joseph George Pizzitola, Member/Manger
Of Pizzitola Enterprises, LLC, General Partner
Of KLE Development, L.P.

KATY BANK the holder of a first lien or liens upon the Subdivision, has joined in the execution hereof to evidence its consent to the terms and conditions hereof and its agreement to subordinate its lien or liens to the terms and conditions of this Declaration.

Katy Bank
Rebecca Blackmon
By Rebecca Blackmon
Its: President

STATE OF TEXAS)
COUNTY OF HARRIS)

This instrument was acknowledged before me on March 20, 2003, by JOSEPH GEORGE PIZZITOLA as General Partner of KLE Development, L.P., a Texas limited partnership, and by Rebecca Blackmon as President of Katy Bank.

Gina M. Brandt
Notary Public, State of Texas



STATE OF TEXAS)
COUNTY OF HARRIS)

This instrument was acknowledged before me on _____, 2003, by _____ as _____.

Notary Public, State of Texas

PREPARED IN THE OFFICE OF:

The Adams Law Firm, LLP
1203 Avenue C
Katy, Texas 77493
Tel: (281) 391-9237
Fax: (281) 391-0451

AFTER RECORDING RETURN TO:

KLE Development, L.P.
2139 GOODWIN
KATY TEXAS 77493
HARRIS COUNTY

Beverly L. Kayman
COUNTY CLERK
HARRIS COUNTY, TEXAS

2003 MAR 20 AM 11:27

FILED

ANY PROVISION HEREIN WHICH RESTRICTS THE SALE, RENTAL, OR USE OF THE DESCRIBED REAL PROPERTY BECAUSE OF COLOR OR RACE IS INVALID AND UNENFORCEABLE UNDER FEDERAL LAW THE STATE OF TEXAS COUNTY OF HARRIS

I hereby certify that this instrument was FILED in File Number Sequence on the date and at the time stamped hereon by me; and was duly RECORDED. In the Official Public Records of Real Property of Harris County, Texas on

MAR 20 2003



Beverly L. Kayman
COUNTY CLERK
HARRIS COUNTY, TEXAS